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CENTRAL INTELLIGENCE AGENCY





THE SITUATION IN VIETNAM

Information as of 1600 22 August 1966

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22 August 1966

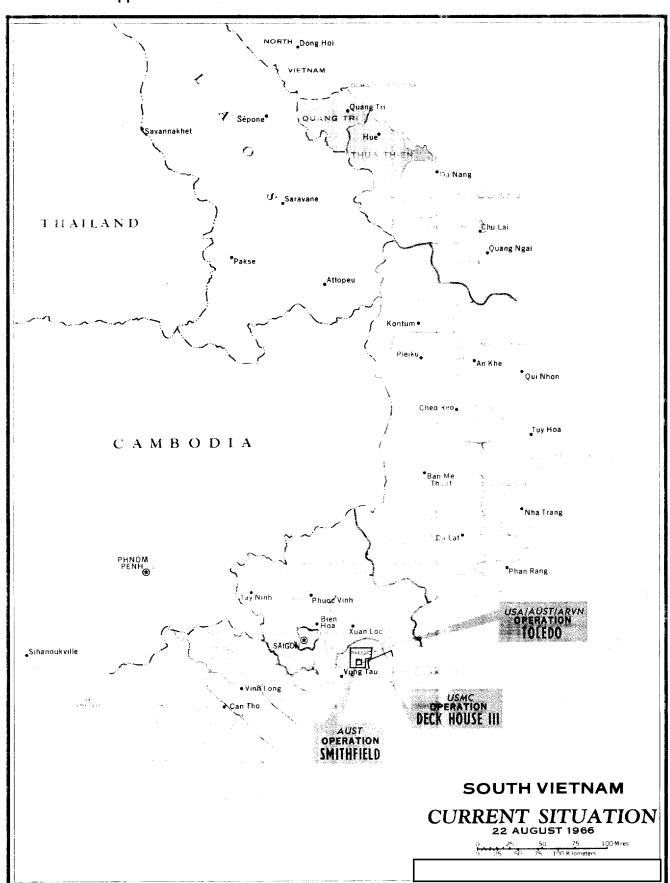
HIGHLIGHTS

The Viet Cong have issued a formal communique' threatening election candidates, and in view of the heavy propaganda attention which the VC have devoted to the election campaigns, the Saigon government expects some of these threats to materialize. Communist military forces are continuing to build up in I Corps.

- I. The Military Situation in South Vietnam: Allied military activity remains at a low level (Para. 1). Operation DECK HOUSE III and Operation TOLEDO move to the west in an effort to trap the nearly 4,000 Viet Cong reported to be in the area of central Phuoc Tuy Province (Paras. 2-3). Communist infiltration across the DMZ continues and enemy forces in the northern provinces pose a threat to the security of the area (Paras. 5-8). A captured Communist document indicates Communist intentions in this area (Paras. 9-11).
- II. Political Developments in South Vietnam: The Viet Cong have increased the severity of their antielection propaganda campaign in the Saigon area by threatening the lives of candidates and government officials assisting in the election process (Paras. 1-3).
- III. North Vietnamese Military Developments: There is nothing of significance to report.
- IV. Other Communist Military Developments: There is nothing of significance to report.

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I. THE MILITARY SITUATION IN SOUTH VIETNAM

- 1. Allied military activity remains at a relatively low level. Only light scattered skirmishes with Communist forces have been reported.
- 2. The second phase of Operation DECK HOUSE III began today in an area of coastal Phuoc Tuy Province to the west of last week's operational area. The reinforced battalion of US Marines of the US 7th Fleet Special Landing Force came ashore again and will establish a blocking position to the south and east of Operation TOLEDO.
- 3. The action area for Operation TOLEDO was also shifted to the west and now encompasses the area in which the heavy Australian Viet Cong engagement of 19 August took place. US, Australian, and South Vietnamese troops participating in this operation will conduct heliborne assaults into the northern portion of the action area. The head-quarters of the 5th Viet Cong Division and its two component regiments--the 274th and the 275th-rare reported to be in the area, with a combined strength of 3,950 men.
- 4. The 1st Australian Task Force Operation SMITHFIELD ended yesterday in southern Phuoc Tuy Province. Final results for this search-and-destroy operation were 17 Australians killed and 22 wounded. A total of 245 Viet Cong were killed and three captured in the four-day operation.

Communist Infiltration Across the DMZ Continues

- 5. Communist forces continue to improve their military posture in South Vietnam's two northernmost provinces, Quang Tri and Thua Thien. The enemy's capability to support a major offensive throughout the I Corps area has been deterred only temporarily as a result of recent allied spoiling operations.
- 6. During the final phase of Operation HASTINGS, the North Vietnamese Army (NVA) 324B Division broke

contact and withdrew to the vicinity of the Demilitarized Zone (DMZ) and dispersed for approximately two weeks. During this period, reconnaissance and strike air crews reported extensive supply activity in the DMZ area, including dispersed supply points, road traffic, and movement of material by sea.

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- 8. The threat to allied forces in the two northern I Corps provinces could range from at least five confirmed regiments to a possible seven regiments. In addition, confirmed separate battalions in Thua Thien have the capability to coordinate as one regiment, and a reserve force of at least two regiments is available in North Vietnam near the DMZ. Although unconfirmed, there may be one regiment and six NVA and Viet Cong battalions in Laos in the area adjacent to Quang Tri and Thua Thien provinces.
- 9. A "top secret" document, dated 17 April and issued by the Political Department of North Vietnam's Military Region IV, was captured in Quang Tri Province on 20 July. The content of the document tends to confirm Communist intentions to continue large-scale military action in this area.
- 10. The document emphasized "the new mission of NVA forces as the front line of North Vietnam and the direct rear area of South Vietnam and Laos," and foresaw increased activity on the part of NVA forces, which it called "the organic mobile force of South Vietnam." An escalation of NVA activities in South Vietnam was indicated, including a directive urging that the thoughts of the troops be prepared for future large-scale combat.
- 11. The document also emphasized the importance of the formation of new party chapters in the South because of "the three-fold increase in the Viet Cong structure since 1964."

II. POLITICAL DEVELOPMENTS IN SOUTH VIETNAM

- 1. The Viet Cong have increased the severity of their antielection propaganda campaign in the Saigon area by threatening the lives of candidates and government officials assisting in the election process and by hinting at other armed action in the capital during the election period.
- 2. After describing the forthcoming constituent assembly election in the usual derogatory terms, a communiqué issued by the Viet Cong military command in the Saigon - Gia Dinh area last week and broadcast by the Communist Liberation Radio yesterday called upon all candidates to withdraw and upon government personnel to cease publicity and other activities associated with the election. The communiqué then warned that "those who deliberately assist the US-Thieu-Ky clique by running for the election, campaigning for the election, and coercing the masses to vote will not be insured so far as their lives are concerned." The communiqué also called for a complete public boycott and concluded with an announcement that Viet Cong armed units had been instructed to "protect" the people against coercion and to "punish without mercy the wicked henchmen of the Americans and the puppets."
- 3. Communist propaganda seems to be devoting more attention to the 11 September election than to other elections in the past, and it is reasonable to expect some of the threats to materialize as the election date approaches. Security precautions in the Saigon area have been tightened recently, with some 200 Viet Cong suspects reportedly arrested within the past few days.

III. NORTH VIETNAMESE MILITARY DEVELOPMENTS

1. There is nothing of significance to report.

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IV. OTHER COMMUNIST MILITARY DEVELOPMENTS

1. There is nothing of significance to report.